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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 349 (MC2017-185)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2017-286

USPS NOTICE OF AMENDMENT TO PRIORITY MAIL CONTRACT 349, FILED UNDER SEAL

(June 14, 2018)

The Postal Service hereby provides notice that prices and terms under Priority Mail Contract 349, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Contract 349 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective two business days after the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

Elizabeth A. Reed

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ATTACHMENT A REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 349

AMENDMENT #1 OF SHIPPING SERVICES CONTRACT BETWEEN THE UNITED STATES POSTAL SERVICE

AND

REGARDING PRIORITY MAIL

WHEREAS, the United States Postal Service (the "Postal Service") and ("Customer") entered into a Shipping Services Contract, Priority Mail Contract 349/Docket No. CP2017-286, on August 14, 2017.

WHEREAS, the Parties desire to amend the terms in Sections I.B., I.F. (including Table 1), and I.G.1 of the Contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective two (2) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.B., as follows.]

I. Terms

- B. This Contract applies to Customer's inbound and outbound packages (collectively "Contract Packages"), as follows:
 - 1. Priority Mail weight based packages
 - 2. Priority Mail Flat Rate Envelopes, including Legal and Padded Flat Rate Envelopes;
 - 3. Priority Mail Flat Rate Boxes, excluding Large APO/FPO/DPO Flat Rate Boxes; and
 - 4. Priority Mail Regional Rate Boxes A and B,

[Replace Sections I.F. (including Table 1) and I.G.1, as follows.]

F. Priority Mail Prices. The following prices apply to the Customer's Contract Packages from the effective date of this amendment until the first anniversary of the Contract's effective date.



G. Annual Adjustment.

1. For subsequent years of the Contract, beginning on the first anniversary of the Contract's effective date, customized prices under this Contract will be the lesser of: (a) the previous year's prices plus the most recent (as of the anniversary date) average increase in prices of general applicability for Priority Mail Commercial Plus, as calculated by the Postal Service, or (b) the previous year's prices plus

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL/SERVICE
Signed by:
Printed Name: Dennis Nicoski
Title: Senior Vice President, Sales and Customer Relations
Date: 8 1 6 (8

ATTACHMENT B SIGNED CERTIFICATION

Certification of Prices for Amendment to Priority Mail Contract 349

I, Steven R. Phelps, Manager, Regulatory Reporting and Cost Analysis, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Contract 349. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

Steven Phelps

Digitally signed by Steven Phelps DN: cn=Steven Phelps, o=Pricing and Costing, ou=Pricing, email=steven.r.phelps@usps.gov, c=US Date: 2018.06.14 15:38:48 -04'00'

Steven R. Phelps